

RESOLUTION NO. ____, SERIES ____

A RESOLUTION OF INTENTION TO ISSUE REVENUE BONDS FOR THE PURPOSE OF FINANCING THE ACQUISITION AND REHABILITATION OF CERTAIN PROPERTY FOR THE BENEFIT OF VG REED & SONS, INC. AND AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT WITH THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT

Sponsored By: _____

WHEREAS, VG Reed & Sons, Inc. (the “Borrower”), a corporation, organized and existing under the laws of the Commonwealth of Kentucky, desires to finance the acquisition and rehabilitation of certain property described on *Appendix A* attached hereto (the “Project”) within the boundaries of the Louisville/Jefferson County Metro Government (the “Metro Government”); and

WHEREAS, the Metro Government is authorized to issue its revenue bonds, notes or other obligations for facilitating the financing of the acquisition and rehabilitation of the Project pursuant to Sections 103.200 through 103.285 of the *Kentucky Revised Statutes*, as amended (the “Act”); and

WHEREAS, the Borrower has evidenced a desire to have the acquisition and rehabilitation of the Project financed from the proceeds of the issuance and sale by the Metro Government of not to exceed \$2,600,000 in aggregate principal amount of its adjustable rate demand industrial building revenue bonds (the “Bonds”); and

WHEREAS, the Memorandum of Agreement in the form attached hereto (the “Agreement”), adequately sets forth the general terms and conditions upon which the Metro Government is willing to proceed with the financing of the Project; and

WHEREAS, the Metro Government, based upon the representations of the Borrower, and the Borrower anticipate that the Project will improve the economic and general welfare of the people of the Metro Government by providing an industrial building suitable for use in furtherance of the eleemosynary purposes of the Borrower pursuant to Section 103.200 (1)(c) and (d) of the Act; and

BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE “COUNCIL”) AS FOLLOWS:

SECTION ONE

The Metro Government will, as requested by the Borrower, undertake to authorize and issue the Bonds from time to time, in one or more series, for a total principal amount currently estimated not to exceed \$2,600,000 for the purpose of financing the Project and both the Metro Government and its officers will take all further action necessary or desirable for that purpose, all subject, however, to the conditions stated in the Agreement, and upon the terms therein provided.

SECTION TWO

The Agreement be and is hereby approved and that the Mayor be and is hereby authorized to execute the Agreement on behalf of the Metro Government in the form attached hereto with such changes or revisions not inconsistent with this Resolution as approved, upon advice of counsel, by the Mayor. The approval of such changes and revisions by the Mayor shall be conclusively evidenced by the execution of the Agreement.

SECTION THREE

The Agreement which, among other things, obligates the Borrower to pay all taxes that it is legally obligated to pay, shall terminate either (i) upon abandonment of the Project by the Borrower; (ii) upon the issuance of the Bonds; or (iii) one year from the date of execution of the Agreement by the Metro Government.

SECTION FOUR

All actions relative to the adoption of this Resolution were in compliance with the procedures established by the Metro Government for the issuance of revenue bonds.

SECTION FIVE

The Metro Government intends that this Resolution, including the Agreement, shall constitute “official action” with respect to the issuance of Bonds to finance the costs of the Project, within the meaning of Treasury Regulation Section 1.150-2, as advised by Bond Counsel, and the laws of the Commonwealth of Kentucky.

SECTION SIX

If the Bonds are issued by the Metro Government, the Bonds shall be payable solely from the revenue derived from the Project, and shall not constitute an indebtedness of the Metro Government within the meaning of the Constitution of the Commonwealth of Kentucky. No taxes shall be levied by the Metro Government with respect to the Bonds, if and when issued, nor shall the Bonds constitute a pledge of the faith and credit of the Metro Government.

SECTION SEVEN

All formal actions relative to the adoption of this Resolution were taken in open meetings of the Metro Council, and all deliberations of the Metro Council and of its committees, if any, which resulted in formal action, were taken in meetings open to the public, in full compliance with all applicable legal requirements.

SECTION EIGHT

That this Resolution shall become effective upon passage and approval.

Jerry Abramson
Mayor

Rick Blackwell
President of the Council

Date

Approved:

Kathleen J. Herron, Clerk

Date

APPROVED AS TO FORM AND LEGALITY

Irv Maze
Jefferson County Attorney

By: James T. Carey
Assistant County Attorney

CERTIFICATE OF THE CLERK

I, Kathleen J. Herron, Metro Council Clerk, hereby certify that I am the duly qualified and acting Metro Council Clerk of the Louisville/Jefferson County Metro Government, that the foregoing Resolution is a true copy of said Resolution duly enacted by the Metro Council of said Metro Government, signed by the Mayor and President of the Council of said Metro Government, and attested under seal by me as Metro Council Clerk of the Metro Government, at a properly convened term and session of said Metro Council held on _____, 2007 as shown by the official records in my custody and under my control; that attached hereto are true copies of the documents approved therein, and that copies of such documents have also been duly filed and recorded in the official records of the Metro Government.

IN WITNESS WHEREOF, I have hereunder set my hand as Metro Council Clerk of the Louisville/Jefferson County Metro Government and the seal of the Metro Government this ____ day of _____, 2007.

Kathleen J. Herron, Clerk

[SEAL]

APPENDIX A

The Project consists of the financing of the acquisition, equipping and installation of an 8 Color Press to be located at 1002 South 12th Street, Louisville, Kentucky.